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PEIPING REPORTS COMMODITY PRICE STABILIZATION;
KWANGTUNG HAS FAVORABLE TRADE BALANCE

MAY PRICES SHOW TENDENCY TO RISE -- Hong Kong Ta Kung Pao, 12 Jun 50

Peiping, 11 June (Hsin-hua)-- The Peiping Jen-min Jih-pao reported on 11 June 1950 that since the end of May 1950, commodity prices have become stabilized throughout China while trading on the market has become more active. Immediately after the unification of economic and finance activities in March 1950, prices began to decrease, and by the end of the month commodity prices had dropped 4.3 percent. This trend continued throughout April and to mid-May. Since then the prices have become more stabilized but have started to show signs of rising.

During the latter part of May, according to data from various administrative districts, prices dropped 1.3 percent in the Southwest, increased 0.3 percent in North China, dropped 2.1 percent in the Northwest, increased 3.2 percent in Central and South China and increased 2.2 percent in East China. Commodity prices fluctuated as follows: primary food products dropped 0.2 percent, while secondary food products increased 3.1 percent; cotton goods increased 2.3 percent, fuel 1.8 percent, miscellaneous dry goods 0.6 percent, and gold and silver 1.2 percent.

EXPORTS EXCEED IMPORTS IN KWANGTUNG -- Canton Nan-fang Jih-pao, 10 Jun 50

During the 6 months following its liberation the volume of exports from Kwangtung Province continued to increase. This was a complete reversal as compared with trade conditions during the Nationalist regime. There were four reasons for this condition: (1) improvement of financial and economic conditions throughout China, plus normal operation of the financial system and stabilization of commodity prices in Kwangtung; (2) reasonable and stable foreign currency exchange rates; (3) import limitations on products available in China, such as wheat, flour, paper, bicycles, etc.; and (4) effect of the coordinated efforts of all foreign-trade personnel to increase exports and control imports, and to help the foreign-trade merchants to operate on a profitable basis.

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Generally speaking, the volume of exports from Kwangtung Province increased monthly following its liberation, and by April, exports exceeded imports by roughly 300 percent. During the greater part of May, exports totaled about 500 percent more than imports.

The largest export items, according to data compiled for the spring of 1950, were vegetable by-products, which represented 40 percent of the total, and animal and fish by-products, which amounted to 32 percent. The remaining 28 percent was almost equally divided among three categories: bamboo, fuel, rattan, lumber, and paper; mineral ores and metal products; and textiles, yarn, and miscellaneous goods.

The largest import items during the same time were: soap, fats, and rubber, which represented 29 percent; chemical products and dyestuffs, 20 percent; cotton and cotton products, 19 percent; metal products, 9 percent; books, maps, and other publications, 8 percent; and miscellaneous goods comprised the balance.

SUSPENDS FOREIGN PAPER IMPORT PERMITS -- Hong Kong Ta Kung Pao, 11 Jun 50

Shanghai, 10 June -- Under orders from the Ministry of Trade, the East China Foreign Trade Control Bureau has discontinued the issue of foreign paper import permits and permits for the import of caustic soda and potassium chlorate.

In North China, the Foreign Trade Bureau has begun to issue permits to export cottonseed cake, rapeseed cake and peanut cake, inasmuch as there is now a surplus of these items.

SUIYUAN WOOL EXPORT INCREASING -- New York Hua-ch'iao Jih-pao, 1 Jul 50

Kuei-sui, 20 June (Hsin-hua) -- Suiyuan Province, one of China's major wool-producing centers before the war, is well on its way to the resumption of its prewar wool and medicinal goods production. It is estimated that from January to 15 May 1950, more than 10 million piculs of wool were exported from the two cities of Pao-t'ou and Kuei-sui.

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